



**TESTIMONY PRESENTED TO THE PUBLIC HEALTH COMMITTEE  
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Testimony Regarding House Bill No. 6740

**AN ACT CONCERNING HOSPITAL FINANCIAL POLICIES**

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Senator Anwar, Representative McCarthy Vahey, Senator Somers, Representative Klarides-Ditria and distinguished members of the Public Health Committee, thank you for the opportunity to offer testimony on House Bill No. 6740, *An Act Concerning Hospital Financial Policies*. I am Dr. Deidre Gifford, Executive Director of the Office of Health Strategy (“OHS”). OHS’ mission is to implement comprehensive, data driven strategies that promote equal access to high quality health care, control costs, and ensure better health for the people of Connecticut.

This bill is mainly directed at increasing awareness and availability of hospital financial assistance programs which reduce or eliminate a patient's liability for the costs of hospital services. OHS shares the goal of ensuring that all patients who qualify for hospital financial assistance are aware of such assistance and are offered it before incurring medical debt. OHS, in collaboration with DPH and DSS, recently wrote to all hospital CEOs in the state reminding them of their obligations surrounding medical debt, debt collection, offers of financial assistance and prohibitions on charging any out of pocket costs to Medicaid patients. All hospitals have replied with reassurances to that affect.

On an annual basis, OHS currently collects hospital uncompensated care policies, patient activity and fund activity for Hospital Bed funds, as well as the amount of charity care charges provided to patients, and hospital bad debt totals. The majority of this information is available to the public on an OHS portal, allowing for comparison on statewide basis for the 27 acute care hospitals required to submit data. It should be noted that any charity care or bad debt totals OHS collects are on an aggregated basis and are not patient specific.

While we support the broad objectives and various provisions of the bill, the current proposal would create new responsibilities for OHS which are not contemplated by the Governor’s proposed budget and surpass the capacity of our existing resources. Therefore, OHS cannot support the bill in its current form. Below we provide additional testimony on

specific provisions of the bill.

Section 1 adds a definition of “underinsured patients” and expands protection to them from certain debt collection practices employed by hospitals or health systems. OHS would support piloting such an expanded definition to better understand the magnitude of those in this category and the magnitude of the debt they are incurring.

Section 2 adds a definition of “hospital financial assistance” as a way to standardize nomenclature for activities that are alternately called uncompensated care, charity care, or free beds, among other things. Adding this definition would ensure that one hospital’s spending on patients with financial needs is comparable to another’s and would improve the existing reporting on uncompensated care to OHS that is required Section 19a-649 of the general statutes.

Section 3, among other items, requires OHS to develop a uniform application for hospital financial assistance that must be utilized by all hospitals. Although OHS appreciates this concept, resources to develop such an application are not included in the Governor’s budget.

Section 4 requires hospitals to report annually to OHS information on the race, ethnicity, and insurance status of patients who apply for or receive hospital financial assistance, and who are provided language translation to enable them to apply for or are otherwise directly helped by the hospital to apply for financial assistance. Hospitals would also be required to report how often patients are referred to a debt collection agency or sued in order to collect a medical debt. While this level of transparency regarding charity care and collection practices would be enlightening, at the present time OHS is not sufficiently staffed to collect and analyze this amount of data.

OHS supports the requirements in Section 5 for hospitals to train their staff on the existence of hospital financial assistance and how to apply for assistance. We also agree with the requirement for hospitals to produce a one-page English/Spanish flyer summarizing hospital financial assistance, and upon request produce it in other languages. And once again, the requirement to include the bilingual summary flyers in hospital discharge paperwork, billing statements, and make to hard copies widely available would likely spread awareness of this program to the very people and families for whom it is designed to assist. Regarding the requirement that those found ineligible for financial assistance be provided interest-free repayment plans, OHS believes that debt collection and interest practices should be included in any future reporting on hospital financial assistance, and would be happy to work with the committee to devise a data collection strategy that could be supported with current resources.

I would like to again thank the committee for the opportunity to present this testimony, and I am happy to answer any questions you may have.